

7. The method of claim 5 wherein the [barter score value] step of transacting barter exchanges between members further includes [a value of barter credit, wherein said] barter credit which is owed to at least one of said barter members.

REMARKS

This is a response to the Office action of March 10, 2003.

1. Claims 1-7 have been objected to under **37 CFR 1.52(b)** for having improper spacing between lines. Applicant has resubmitted the claims with proper spacing and therefore Applicant respectfully requests withdrawal of this objection.

2. Claims 1-7 have been rejected under 35 USC 103(a) as being un patentable over Hodroff US Patent 5,592,376 in view of Shkedy US Patent 6,260,024.

Applicant has amended claim 1 to recite a flexible hybrid currency system. The limitation “flexible” finds support on page four of the specification, in the first line of the second paragraph.

Applicant has amended claim 1 to recite a limitation whereby the variable percentage of cash recited is further described as being “the percentage of cash that said individual trading member is willing to accept in trade”. This language finds support in the specification at page 4, second full paragraph of the specification.

Neither the ‘376 patent to Hodroff, nor the ‘024 to Shkedy such a limitation as a flexible currency system wherein each trading member selects a percentage of cash and product/service

that he is willing to accept in trade. Instead, Hodroff teaches a system where, e.g. a Member (person who provides labor) is able to buy something from a vendor who supplies a product at a discount and a sponsor who receives fees. (c 2-3 l -66). In Hodroff, the vendor never receives full value in exchange for his service or product. Applicant asserts that this is distinct from the present invention because the members of the system according to claim 1, never offer a discount, but rather trade with one another using flexible currency, made up of part cash and part goods/services, the relative percent of which is predetermined by each individual member. Hodroff does not teach that the laborer may determine percent cash, and further the member in Hodroff receives a discount based on the member's affluence (col. 6 lines 1-29). More succinctly, Hodroff establishes the percent cash discount offered by a vendor to an individual member (c 3 l 61-66), whereas with global cash, the flexible currency of the present invention the merchant establish the percent cash he is willing to accept from all other members, without offering a discount

Claim 2 has been amended to recite the limitation "in order to extend a line of credit to said applicant" to describe the credit rating system of the present invention. Hodroff does not teach a credit rating system for extending a line of credit. Hodroff teaches a credit system which is simply a recordation of hours worked, or credited to a Member. Nowhere in the '376 patent does Hodroff mention that credit can be extended to a Member, i.e. a Member simply works a number of hours, and then his account is credited for those hours worked. Applicant contends that the use of the term "credit" is patentably distinct between Hodroff and the present Application. The present Application extends credit, while Hodroff merely accounts for hours

credited to a Member's account. This amendment finds support on page 4 of the specification at the second full paragraph.

Claim 3 depends from claim 2 and therefore needs no amendment except for the added spacing.

Claim 4 has been amended to recite the limitation "in order to extend a line of credit to said members". Hodroff does not teach the extension of a line of credit to Members as stated above in reference to the amendment to claim 2.

Claim 5 has been amended to simplify the language of the claim as originally filed. Claim 5 now recites a system whereby members of a trading community are willing to accept the hybrid currency of claim 1 and each transaction is recorded. Claim 5 as amended finds support in the specification in the first full paragraph on page 4 and the second paragraph after Detailed Description on page 5, and the third full paragraph on page 6 for the accounting of each transaction.

Claims 6 and 7 depend from claim 5 and have incorporated within them the amendment to claim 5. Claim 6 is further amended to maintain verbal consistency with claim 5. Claim 7 is further amended to maintain verbal consistency with claim 5.

SUMMARY

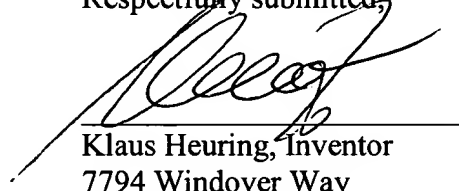
Applicant submits that the claims are now in condition for allowance and such action is respectfully requested, as Applicant hereby requests reconsideration of the rejections and objections and acceptance of the claims as amended.

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If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Klaus Heuring', is written over a horizontal line.

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